



HF 2433 – Licensing Discipline and Agency Procedure (LSB 5031HV)
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Fiscal Note Version – New

Description

House File 2433 makes changes to the administrative rulemaking process, including:

- Provides that a rule can be adopted without notice only if the statute so provides or with approval of the Administrative Rules Review Committee (ARRC).
- Empowers the ARRC to object to an “emergency adopted rule” (promulgated under Iowa Code section [17.5\(2\)\(b\)](#)) and suspend its effect.
- Amends the 70-day delay authority of the ARRC in the following ways:
 - Allows suspension of a rule promulgated under “emergency rulemaking” via a two-thirds vote of the ARRC if that vote is taken with 35 days of the effective date of the rule.
 - Upon a two-thirds vote, the ARRC may suspend for 70 days further action relating to a notice of intended action filed by an agency.
 - Provides that the ARRC may utilize the 70-day delay regardless of the reason for the delay and for a portion of the rule (as opposed to the entire rule).
- Amends the session delay authority of the ARRC in the following ways:
 - Upon a two-thirds vote, the ARRC may suspend the applicability of a rule promulgated under “emergency rulemaking” until the adjournment of the next regular session of the General Assembly if such a vote is taken with 35 days of the effective date of the rule.
 - Provides that the ARRC may utilize the session delay regardless of the reason for a portion of the rule (as opposed to the entire rule).
- Amends the process for selecting a chairperson of the ARRC.

The Bill also restricts the ability of a licensing board to consider a deferred judgment when deciding whether to suspend or revoke a license or impose some other licensee discipline. The Bill limits offenses which may be considered aggravated misdemeanors or felonies. Finally, the Bill requires that boards and commissions operate under Robert’s Rules of Order.

Background

The Iowa Administrative Procedures Act of 1975, Iowa Code chapter [17A](#), articulates the Iowa agency rulemaking process. Currently, rules promulgated under Iowa Code section [17A.5\(2\)\(b\)](#), “emergency rulemaking,” are effective upon filing and are not subject to the 70-day authority of the ARRC. The ARRC currently has no authority relating to a notice of intended action filed with the ARRC until the adopted rule is filed with the ARRC following the notice. And the ARRC may only utilize a 70-day or session delay for an entire rule (not just a portion of a rule). The ARRC, on average, utilizes the 70-day and session delays seven to eight times per year.

Assumptions

- This Bill provides broader authority to the ARRC; however, it is not possible to determine how often or upon which future rules the ARRC will choose to utilize this expanded authority, and if such actions will have a fiscal impact.

- Requiring boards and commissions to use Robert's Rules of Order will not require additional expenditure by boards and commissions.
- Changing the rules related to the selection of the chairpersons of the ARRC will not require additional expenditures related to the ARRC.
- Costs associated with restricting the ability of licensing boards to consider a deferred judgment when deciding whether to suspend or revoke a license or impose discipline is expected to have no or minimal fiscal impact.

Fiscal Impact

Iowa Code changes concerning boards and commissions, licensing boards, and selection of the ARRC chairperson is expected to have no or minimal fiscal impact.

The overall fiscal impact of this Bill cannot be determined because it is not possible to know how the ARRC would use the broadened rulemaking authority.

Sources

LSA Analysis

/s/ Holly M. Lyons

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The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the correctional and minority impact statements were prepared pursuant to [Iowa Code section 2.56](#). Data used in developing this fiscal note, including correctional and minority impact information, is available from the Fiscal Services Division of the Legislative Services Agency upon request.
